

7-207A011
Date JUL 26 1977
Fee \$ 3.76
ICC Washington, D. C.

RECORDATION NO. 8804-7 Filed & Recorded RECORDATION NO. 8804-4 Filed & Recorded

JUL 26 1977-9 40 AM JUL 26 1977-9 40 AM

INTERSTATE COMMERCE COMMISSION INTERSTATE COMMERCE COMMISSION JUL 26 1977-9 36 AM

MELLON BANK, N.A.
Mellon Square
Pittsburgh, Pennsylvania 15230

FEE OPERATION BR:
I. C. C.

Secretary
Interstate Commerce Commission
Washington, D.C. 20423
RECORDATION NO. 8804-7 Filed & Recorded

RECORDATION NO. 8804-4 Filed & Recorded

JUL 26 1977-9 40 AM

INTERSTATE COMMERCE COMMISSION

Dear Sir:

JUL 26 1977-9 40 AM

RECORDATION NO. 8804-7 Filed & Recorded
Enclosed for filing pursuant to Section 20c of the Interstate Commerce Act are copies of the following documents:

JUL 26 1977-9 40 AM

A. Please file the following documents under
Recordation No. 8804.

INTERSTATE COMMERCE COMMISSION

1. Conditional Sale Agreement dated as of April 15, 1977, between General Electric Company and United States Trust Company of New York as Trustee under Trust Agreement (A). This agreement amends and restates an Interim Conditional Sale Agreement dated as of April 15, 1977, between the same parties which was filed with the ICC on May 2, 1977, at 10:40 a.m., and given Recordation No. 8804.

RECORDATION NO. 8804-K Filed & Recorded

JUL 26 1977-9 40 AM

INTERSTATE COMMERCE COMMISSION

2. Agreement and Assignment dated as of April 15, 1977, between General Electric Company and J. P. Morgan Interfunding Corp. This agreement amends and restates an Interim Agreement and Assignment dated as of April 15, 1977, between the same parties, which was filed with the ICC on May 2, 1977, at 10:40 a.m., and given Recordation No. 8804-A.

RECORDATION NO. 8804-L Filed & Recorded

JUL 26 1977-9 40 AM

INTERSTATE COMMERCE COMMISSION

3. Conditional Sale Agreement dated as of April 15, 1977, between General Motors Corporation (Electro-Motive Division) and United States Trust Company of New York as Trustee under Trust Agreement (A). This agreement amends and restates an Interim Conditional Sale Agreement dated as of April 15, 1977, between the same parties which was filed with the ICC on May 2, 1977, at 10:40 a.m., and given Recordation No. 8804-B.

RECORDATION NO. 8863-D Filed & Recorded

JUL 26 1977-9 40 AM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 8863-E Filed & Recorded

JUL 26 1977-9 40 AM

RECORDATION NO. 8863-H Filed & Recorded

JUL 26 1977-9 40 AM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 8863-7 Filed & Recorded

JUL 26 1977-9 40 AM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 8863-3 Filed & Recorded

JUL 26 1977-9 40 AM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 8863-F Filed & Recorded
JUL 26 1977-9 42 AM

4. Agreement and Assignment dated as of April 15, 1977, between General Motors Corporation (Electro-Motive Division) and J. P. Morgan Interfunding Corp. This agreement amends and restates an Interim Agreement and Assignment dated as of April 15, 1977, between the same parties which was filed with the ICC on May 2, 1977, at 10:40 a.m., and given Recordation No. 8804-C.

5. Supplemental Assignment dated as of April 15, 1977, between J. P. Morgan Interfunding Corp. and Mellon Bank, N.A., as Agent. (As this document was signed in counterparts, each stapled set represents a completely signed document.)

6. Lease of Railroad Equipment dated as of April 15, 1977, between Consolidated Rail Corporation and United States Trust Company of New York as Trustee under Trust Agreement (A). This agreement amends and restates an Interim Lease of Railroad Equipment dated as of April 15, 1977, between the same parties, which was filed with the ICC on May 2, 1977, at 10:40 a.m., and given Recordation No. 8804-D.

7. Assignment of Lease, Reassignment and Agreement dated as of April 15, 1977, among United States Trust Company of New York as Trustee under Trust Agreement (A), J. P. Morgan Interfunding Corp. and Mellon Bank, N.A., as Agent. This agreement amends and restates an Interim Assignment of Lease and Agreement dated as of April 15, 1977, between United States Trust Company of New York as Trustee under Trust Agreement (A) and J. P. Morgan Interfunding Corp., which was filed with the ICC on May 2, 1977, at 10:40 a.m., and given Recordation No. 8804-E.

B. Please file the following documents under Recordation No. 8863.

8. Conditional Sale Agreement dated as of April 15, 1977, between General Motors Corporation (Electro-Motive Division) and United States Trust Company of New York as Trustee under Trust Agreement (B). This agreement amends and restates an Interim Conditional Sale Agreement dated as of

April 15, 1977, between the same parties, which was filed with the ICC on June 24, 1977, at 7:15 p.m., and given Recordation No. 8863.

9. Agreement and Assignment dated as of April 15, 1977, between General Motors Corporation (Electro-Motive Division) and J. P. Morgan Interfunding Corp. and General Electric Credit Corporation. This agreement amends and restates an Interim Agreement and Assignment dated as of April 15, 1977, between the same parties, which was filed with the ICC on June 24, 1977, at 7:15 p.m., and given Recordation No. 8863-A.

10. Supplemental Assignment dated as of April 15, 1977, between J. P. Morgan Interfunding Corp. and General Electric Credit Corporation and Mellon Bank, N.A., as Agent.

11. Lease of Railroad Equipment dated as of April 15, 1977, between Consolidated Rail Corporation and United States Trust Company of New York as Trustee under Trust Agreement (B). This agreement amends and restates an Interim Lease of Railroad Equipment dated as of April 15, 1977, between the same parties, which was filed with the ICC on June 24, 1977, at 7:15 p.m., and given Recordation No. 8863-B.

12. Assignment of Lease, Reassignment and Agreement dated as of April 15, 1977, among United States Trust Company of New York as Trustee under Trust Agreement (B), J. P. Morgan Interfunding Corp., General Electric Credit Corporation and Mellon Bank, N.A., as Agent. This agreement amends and restates an Interim Assignment of Lease and Agreement dated as of April 15, 1977, among United States Trust Company of New York as Trustee under Trust Agreement (B), J. P. Morgan Interfunding Corp. and General Electric Credit Corporation, which was filed with the ICC on June 24, 1977, at 7:15 p.m., and given Recordation No. 8863-C.

C. Please also file the following document.

13. Chattel Mortgage dated as of April 15, 1977, between Mellon Bank, N.A., as Agent, and

United States Trust Company of New York as Trustee under Trust Agreement (A) and as Trustee under Trust Agreement (B).

The names and addresses of the parties to the documents listed above are as follows:

1. Vendor-Assignor:
General Motors Corporation (Electro-Motive Division)
LaGrange, Illinois 60525.
2. Vendor-Assignor:
General Electric Company
2901 East Lake Road
Erie, Pennsylvania 16531.
3. Purchaser-Vendee-Lessor-Assignor-Mortgagor:
United States Trust Company of New York
130 John Street
New York, N. Y. 10038.
4. Lessee:
Consolidated Rail Corporation
1310 Six Penn Center Plaza
Philadelphia, Pennsylvania 19104.
5. Assignee-Assignor:
J. P. Morgan Interfunding Corp.
37 Wall Street
New York, N. Y. 10015.
6. Assignee-Assignor:
General Electric Credit Corporation
P. O. Box 8300
Stamford, Connecticut 06904
7. Agent-Vendor-Assignee-Mortgagee:
Mellon Bank, N.A.
Mellon Square
Pittsburgh, Pennsylvania 15230.

The documents listed in Items 1 and 2 above cover the locomotives set forth in Schedule A hereto. The documents listed in Items 3 and 4 above cover the locomotives set forth in Schedule B hereto. The documents listed in Items 5, 6 and 7 above cover the locomotives set forth in Schedules A and B hereto. The documents listed in Items 8, 9, 10, 11 and 12

above cover the locomotives set forth in Schedule C hereto. The document listed in Item 13 above covers the locomotives set forth in Schedules A, B and C hereto. All such locomotives bear the road numbers of Consolidated Rail Corporation shown on such Schedules, and also bear the following legend:

"Ownership subject to Conditional Sale Agreement filed under the Interstate Commerce Act, Section 20c".

Please file and record the documents referred to in this letter and cross-index them under the names of the parties listed above. A check for \$370 is enclosed for payment of the recording fee.

Please return to the delivering messenger the following items:

(a) All counterparts of the documents referred to in this letter that are not required for filing, stamped with the appropriate recordation number.

(b) A stamped copy of this letter.

(c) Your fee receipt and letter confirming recordation addressed to R. J. Donahue, Mellon Bank, N.A., Pittsburgh, Pennsylvania 15230.

Sincerely yours,

MELLON BANK, N.A.,

by

R. J. Donahue,

RECORDATION NO. 8804-5 Filed & Recorded

JUL 26 1977 10 44 AM

UNITED STATES COMMERCE COMMISSION

SUPPLEMENTAL ASSIGNMENT (hereinafter called this Supplemental Assignment), dated as of April 15, 1977, between J. P. MORGAN INTERFUNDING CORP. (hereinafter in its capacity as assignor called the Assignor) and MELLON BANK, N. A., as Agent (hereinafter called the Assignee) under a Participation Agreement dated as of the date hereof (hereinafter called the Participation Agreement).

WHEREAS, under two Conditional Sale Agreements dated as of the date hereof (hereinafter called the Conditional Sale Agreements), between United States Trust Company of New York, as Trustee (hereinafter called the Vendee) under a Trust Agreement (A) dated as of the date hereof with J. P. Morgan Interfunding Corp. as beneficiary, and each of General Electric Company and General Motors Corporation (Electro-Motive Division) (hereinafter called the Builders), the Builders agreed to construct, conditionally sell and deliver to the Vendee and the Vendee agreed to conditionally buy from the Builders and to accept delivery of certain items of railroad equipment described therein (hereinafter called the Equipment);

WHEREAS Consolidated Rail Corporation will lease from the Vendee all the units of Equipment as are delivered and accepted under the Conditional Sale Agreements, pursuant to a Lease of Railroad Equipment dated as of the date hereof (hereinafter called the Lease);

WHEREAS the Builders by two Agreement and Assignments dated as of the date hereof (hereinafter called the Builder Assignments) sold, assigned, transferred and set over to the Assignor, its successors and assigns, all rights, title and interest of the Builders under the Conditional Sale Agreements subject to certain exceptions and upon the terms and provisions as provided therein; and

WHEREAS the Builders will guarantee to the Vendee and the Assignee certain obligations under the Lease and the Conditional Sale Agreements pursuant to two Guaranty Agreements dated as of the date hereof (hereinafter called the Guaranty Agreements).

NOW, THEREFORE, THIS SUPPLEMENTAL ASSIGNMENT WITNESSETH: That, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by the

Assignee to the Assignor, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

SECTION 1. The Assignor does hereby assign, transfer and set over to the Assignee, its successors and assigns, all the right, title and interest of the Assignor under the Conditional Sale Agreements and the Builder Assignments and in and to the Equipment and all the obligations of the Assignor under the Builder Assignments to the extent that such obligations shall not have been satisfied by the Assignor prior to the Take-Out Date (as defined in the Participation Agreement), and the Assignee does hereby accept said assignment and agrees, subject to the terms and conditions contained in the Builder Assignments, to perform such obligations, without any recourse against the Assignor for or on account of the failure of the Vendee to make any of the payments provided for in, or otherwise to comply with any of the provisions of, the Conditional Sale Agreements or the failure of the Builders to perform their obligations under the Builder Assignments; provided, however, that this Supplemental Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the obligations of the Builders to deliver the Equipment in accordance with the Conditional Sale Agreements or with respect to their warranties and agreements referred to in Article 13 of the Conditional Sale Agreements or relieve the Vendee from its obligations to the Builders contained in Articles 2, 3, 4, 6 and 13 of the Conditional Sale Agreements, it being understood and agreed that, notwithstanding this Supplemental Assignment, or any subsequent assignment pursuant to the provisions of Article 14 of the Conditional Sale Agreements, all obligations of the Builders to the Vendee with respect to the Equipment shall be and remain enforceable by the Vendee, its successors and assigns, against and only against the Builders. In furtherance of the foregoing assignment and transfer, but subject to the provisions of Section 2 hereof, the Assignor hereby authorizes and empowers the Assignee, in the Assignee's own name or in the name of the Assignee's nominee, or in the name of and as attorney hereby irrevocably constituted for the Assignor, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Supplemental Assignment and to ask, demand, sue for and enforce compliance by the Vendee with the terms and agreements on its part to be performed under the Conditional Sale Agreements, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Subject to the terms and conditions

contained in the Participation Agreement, the Assignee, on the Take-Out Date, shall pay to the Assignor an amount, not to exceed \$17,500,000, equal to the Conditional Sale Indebtedness (as defined in the Conditional Sale Agreements) in respect of the units of Equipment settled for under the Conditional Sale Agreements prior to the Take-Out Date and all accrued and unpaid interest thereon to, but not including, the Take-Out Date, provided that (i) the Assignee shall have been paid on the Take-Out Date an amount equal to such interest pursuant to the Participation Agreement and (ii) there shall have been delivered to the Assignee the following documents, in form and substance satisfactory to it and to Messrs. Cravath, Swaine & Moore or other special counsel selected by the Assignee, in such number of counterparts as may be reasonably requested by said special counsel:

(a) the bills of sale, resolutions, certificates of acceptance, invoices and opinions delivered to the Assignor in connection with the settlement for the units of Equipment settled for prior to the Take-Out Date, certified by the Assignor to be true and correct copies of the originals, together with an executed counterpart stamped to show recordation with the Interstate Commerce Commission of any conditional sale agreements and assignments relating to the units of Equipment settled for prior to the Take-Out Date; and

(b) a certificate of an officer of the Vendee, dated as of the Take-Out Date, (i) setting forth the amount, description and identification numbers of all the units of Equipment delivered prior to the Take-Out Date and stating that all such units were accepted and settled for by the Vendee and remain subject to one of the Conditional Sale Agreements, and (ii) stating that the unpaid Conditional Sale Indebtedness is in the amount specified in such certificate.

This Supplemental Assignment shall be effective only from and after the making of the payments referred to in the preceding paragraph.

SECTION 3. The Assignee may assign all or any of its rights under the Conditional Sale Agreements, including the right to receive any payments due or to become due to it from the Vendee thereunder. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 4. The Assignor hereby:

(a) represents and warrants to the Assignee, its successors and assigns, that the Builder Assignments were duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the other parties thereto, the Builder Assignments are, in so far as the Assignor is concerned, legal, valid and existing agreements binding upon the Assignor in accordance with their terms, that they are now in force without amendment thereto and that no authorization or approval from, consent of or filing, registration or qualification with any governmental or public body or authority of the United States of America, or of any of the States thereof or the District of Columbia, is necessary for the execution, delivery and performance by the Assignor of the Builder Assignments;

(b) agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) represents and warrants to the Assignee that the Assignor has not entered into any other assignment of its interests in the Conditional Sale Agreements acquired pursuant to the Builder Assignments or otherwise, has not entered into any amendment or modification of the Builder Assignments or the Conditional Sale Agreements and has not created or incurred or suffered to exist thereon any claim, lien or charge on such interest arising by, through, or under the Assignor, and that, to its knowledge, no default exists under the Conditional Sale Agreements.

The Assignor by the acceptance of payment to it from the Assignee on the Take-Out Date shall be deemed to reaffirm as of such date the representations and warranties hereinabove set forth.

SECTION 5. The terms of this Supplemental Assignment and all rights and obligations hereunder shall be gov-

erned by the laws of the State of New York; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 22 of the Conditional Sale Agreements.

SECTION 6. The Assignee agrees to deliver an executed counterpart of this Supplemental Assignment to the Vendee, which delivery shall constitute due notice of the assignment hereby made. Although this Supplemental Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 7. The parties hereto acknowledge that the Guaranty Agreements contains certain provisions regarding the consent of the Guarantors in the event of any variation or modification of this Supplemental Assignment or any waiver of any of its provisions or conditions which would either individually or cumulatively have a material adverse effect upon the Guarantors.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

J. P. MORGAN INTERFUNDING CORP.,

[Corporate Seal]

by

Homer C. R. Reis
Vice President

Attest:

James D. Goodpasture
Assistant Secretary

MELLON BANK, N.A., as Agent,

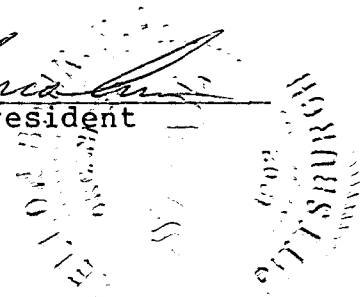
[Corporate Seal]

by

[Signature]
Vice President

Attest:

[Signature]
Assistant Secretary



STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this 22nd day of July 1977, before me personally appeared Homer McK. Rees, to me personally known, who, being by me duly sworn, says that he is a Vice President of J. P. MORGAN INTERFUNDING CORP., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]

My Commission Expires

Erden and Pooja
Notary Public

FERDINAND CAIOCCA
JUDICIAL PUBLIC, State of New York
 No. 31-0534625
 Qualified in New York County
 Commission Expires March 30, 1979

State of New York
~~COMMONWEALTH OF PENNSYLVANIA,~~
COUNTY OF ~~ALLEGHENY,~~ *New York*) ss.:

On this *25th* day of July 1977, before me personally appeared *R.J. Donohue*, to me personally known, who, being by me duly sworn, says that he is a *Vice President* of MELLON BANK, N. A., that one of the seals affixed to the foregoing instrument is the corporate seal of said national bank, and that said instrument was signed and sealed on behalf of said national bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national bank.

Rose M. Hogan

Notary Public

[Notarial Seal]

Commission Expires

ROSE M. HOGAN
Notary Public, State of New York
No. 31-4507270
Qualified In New York County
Commission Expires March 30, 1978

ACKNOWLEDGMENT OF
NOTICE OF ASSIGNMENT

GENERAL ELECTRIC COMPANY, GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION) and UNITED STATES TRUST COMPANY OF NEW YORK, as Trustee under Trust Agreement (A), hereby acknowledge due notice of and consent to the assignment made by the foregoing Supplemental Assignment as of April 15, 1977, and hereby acknowledge receipt of an executed counterpart of such Supplemental Assignment.

GENERAL ELECTRIC COMPANY,

by

Vice President

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by



VICE PRESIDENT

UNITED STATES TRUST COMPANY OF
NEW YORK, as Trustee,

by


Ass't

Vice President

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SUPPLEMENTAL ASSIGNMENT (hereinafter called this Supplemental Assignment), dated as of April 15, 1977, between J. P. MORGAN INTERFUNDING CORP. (hereinafter in its capacity as assignor called the Assignor) and MELLON BANK, N. A., as Agent (hereinafter called the Assignee) under a Participation Agreement dated as of the date hereof (hereinafter called the Participation Agreement).

WHEREAS, under two Conditional Sale Agreements dated as of the date hereof (hereinafter called the Conditional Sale Agreements), between United States Trust Company of New York, as Trustee (hereinafter called the Vendee) under a Trust Agreement (A) dated as of the date hereof with J. P. Morgan Interfunding Corp. as beneficiary, and each of General Electric Company and General Motors Corporation (Electro-Motive Division) (hereinafter called the Builders), the Builders agreed to construct, conditionally sell and deliver to the Vendee and the Vendee agreed to conditionally buy from the Builders and to accept delivery of certain items of railroad equipment described therein (hereinafter called the Equipment);

WHEREAS Consolidated Rail Corporation will lease from the Vendee all the units of Equipment as are delivered and accepted under the Conditional Sale Agreements, pursuant to a Lease of Railroad Equipment dated as of the date hereof (hereinafter called the Lease);

WHEREAS the Builders by two Agreement and Assignments dated as of the date hereof (hereinafter called the Builder Assignments) sold, assigned, transferred and set over to the Assignor, its successors and assigns, all rights, title and interest of the Builders under the Conditional Sale Agreements subject to certain exceptions and upon the terms and provisions as provided therein; and

WHEREAS the Builders will guarantee to the Vendee and the Assignee certain obligations under the Lease and the Conditional Sale Agreements pursuant to two Guaranty Agreements dated as of the date hereof (hereinafter called the Guaranty Agreements).

NOW, THEREFORE, THIS SUPPLEMENTAL ASSIGNMENT WITNESSETH: That, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by the

Assignee to the Assignor, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

SECTION 1. The Assignor does hereby assign, transfer and set over to the Assignee, its successors and assigns, all the right, title and interest of the Assignor under the Conditional Sale Agreements and the Builder Assignments and in and to the Equipment and all the obligations of the Assignor under the Builder Assignments to the extent that such obligations shall not have been satisfied by the Assignor prior to the Take-Out Date (as defined in the Participation Agreement), and the Assignee does hereby accept said assignment and agrees, subject to the terms and conditions contained in the Builder Assignments, to perform such obligations, without any recourse against the Assignor for or on account of the failure of the Vendee to make any of the payments provided for in, or otherwise to comply with any of the provisions of, the Conditional Sale Agreements or the failure of the Builders to perform their obligations under the Builder Assignments; provided, however, that this Supplemental Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the obligations of the Builders to deliver the Equipment in accordance with the Conditional Sale Agreements or with respect to their warranties and agreements referred to in Article 13 of the Conditional Sale Agreements or relieve the Vendee from its obligations to the Builders contained in Articles 2, 3, 4, 6 and 13 of the Conditional Sale Agreements, it being understood and agreed that, notwithstanding this Supplemental Assignment, or any subsequent assignment pursuant to the provisions of Article 14 of the Conditional Sale Agreements, all obligations of the Builders to the Vendee with respect to the Equipment shall be and remain enforceable by the Vendee, its successors and assigns, against and only against the Builders. In furtherance of the foregoing assignment and transfer, but subject to the provisions of Section 2 hereof, the Assignor hereby authorizes and empowers the Assignee, in the Assignee's own name or in the name of the Assignee's nominee, or in the name of and as attorney hereby irrevocably constituted for the Assignor, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Supplemental Assignment and to ask, demand, sue for and enforce compliance by the Vendee with the terms and agreements on its part to be performed under the Conditional Sale Agreements, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Subject to the terms and conditions

contained in the Participation Agreement, the Assignee, on the Take-Out Date, shall pay to the Assignor an amount, not to exceed \$17,500,000, equal to the Conditional Sale Indebtedness (as defined in the Conditional Sale Agreements) in respect of the units of Equipment settled for under the Conditional Sale Agreements prior to the Take-Out Date and all accrued and unpaid interest thereon to, but not including, the Take-Out Date, provided that (i) the Assignee shall have been paid on the Take-Out Date an amount equal to such interest pursuant to the Participation Agreement and (ii) there shall have been delivered to the Assignee the following documents, in form and substance satisfactory to it and to Messrs. Cravath, Swaine & Moore or other special counsel selected by the Assignee, in such number of counterparts as may be reasonably requested by said special counsel:

(a) the bills of sale, resolutions, certificates of acceptance, invoices and opinions delivered to the Assignor in connection with the settlement for the units of Equipment settled for prior to the Take-Out Date, certified by the Assignor to be true and correct copies of the originals, together with an executed counterpart stamped to show recordation with the Interstate Commerce Commission of any conditional sale agreements and assignments relating to the units of Equipment settled for prior to the Take-Out Date; and

(b) a certificate of an officer of the Vendee, dated as of the Take-Out Date, (i) setting forth the amount, description and identification numbers of all the units of Equipment delivered prior to the Take-Out Date and stating that all such units were accepted and settled for by the Vendee and remain subject to one of the Conditional Sale Agreements, and (ii) stating that the unpaid Conditional Sale Indebtedness is in the amount specified in such certificate.

This Supplemental Assignment shall be effective only from and after the making of the payments referred to in the preceding paragraph.

SECTION 3. The Assignee may assign all or any of its rights under the Conditional Sale Agreements, including the right to receive any payments due or to become due to it from the Vendee thereunder. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 4. The Assignor hereby:

(a) represents and warrants to the Assignee, its successors and assigns, that the Builder Assignments were duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the other parties thereto, the Builder Assignments are, in so far as the Assignor is concerned, legal, valid and existing agreements binding upon the Assignor in accordance with their terms, that they are now in force without amendment thereto and that no authorization or approval from, consent of or filing, registration or qualification with any governmental or public body or authority of the United States of America, or of any of the States thereof or the District of Columbia, is necessary for the execution, delivery and performance by the Assignor of the Builder Assignments;

(b) agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) represents and warrants to the Assignee that the Assignor has not entered into any other assignment of its interests in the Conditional Sale Agreements acquired pursuant to the Builder Assignments or otherwise, has not entered into any amendment or modification of the Builder Assignments or the Conditional Sale Agreements and has not created or incurred or suffered to exist thereon any claim, lien or charge on such interest arising by, through, or under the Assignor, and that, to its knowledge, no default exists under the Conditional Sale Agreements.

The Assignor by the acceptance of payment to it from the Assignee on the Take-Out Date shall be deemed to reaffirm as of such date the representations and warranties hereinabove set forth.

SECTION 5. The terms of this Supplemental Assignment and all rights and obligations hereunder shall be gov-

erned by the laws of the State of New York; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 22 of the Conditional Sale Agreements.

SECTION 6. The Assignee agrees to deliver an executed counterpart of this Supplemental Assignment to the Vendee, which delivery shall constitute due notice of the assignment hereby made. Although this Supplemental Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 7. The parties hereto acknowledge that the Guaranty Agreements contains certain provisions regarding the consent of the Guarantors in the event of any variation or modification of this Supplemental Assignment or any waiver of any of its provisions or conditions which would either individually or cumulatively have a material adverse effect upon the Guarantors.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

J. P. MORGAN INTERFUNDING CORP.,

[Corporate Seal]

by Harvey R. Rice
Vice President

Attest:

James O. Goodpasture
Assistant Secretary

MELLON BANK, N.A., as Agent,

[Corporate Seal]

by J. H. H. H.
Vice President

Attest:

J. H. H. H.
Assistant Secretary

RECORDED
INDEXED
JAN 10 1932
CITY OF PITTSBURGH

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this 22nd day of July 1977, before me personally appeared ~~Homer~~ *MR. Rees*, to me personally known, who, being by me duly sworn, says that he is a *Vice President* of J. P. MORGAN INTERFUNDING CORP., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]

My Commission Expires

Notary Public

FERDINAND CAIOCCA
NOTARY PUBLIC, State of New York
No. 31-0534625
Qualified in New York County
Commission Expires March 30, 1979

State of New York
~~COMMONWEALTH OF PENNSYLVANIA,~~)
COUNTY OF ~~ALLEGHENY~~, New York) ss.:

On this 25th day of July 1977, before me personally appeared R. T. Donchue, to me personally known, who, being by me duly sworn, says that he is a Vice President of MELLON BANK, N. A., that one of the seals affixed to the foregoing instrument is the corporate seal of said national bank, and that said instrument was signed and sealed on behalf of said national bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national bank.

Rose M. Hogan
Notary Public

[Notarial Seal]

Commission Expires

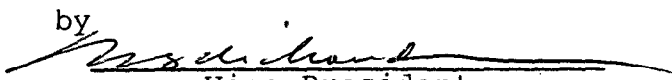
ROSE M. HOGAN
Notary Public, State of New York
No. 31-4507270
Qualified in New York County
Commission Expires March 30, 1978

ACKNOWLEDGMENT OF
NOTICE OF ASSIGNMENT

GENERAL ELECTRIC COMPANY, GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION) and UNITED STATES TRUST COMPANY OF NEW YORK, as Trustee under Trust Agreement (A), hereby acknowledge due notice of and consent to the assignment made by the foregoing Supplemental Assignment as of April 15, 1977, and hereby acknowledge receipt of an executed counterpart of such Supplemental Assignment.

GENERAL ELECTRIC COMPANY,

by

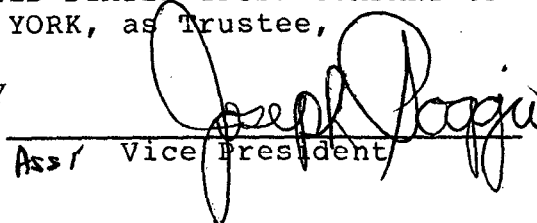

Vice President
GENERAL MANAGER-LOCOMOTIVE OPERATIONS

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by

UNITED STATES TRUST COMPANY OF
NEW YORK, as Trustee,

by


Asst. Vice President